

# **05hr\_SC-JCEDCA\_sb0372\_pt01**



(FORM UPDATED: 08/11/2010)

## **WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS**

**2005-06**

(session year)

**Senate**

(Assembly, Senate or Joint)

**Committee on ... Job Creation, Economic  
Development and Consumer Affairs (SC-JCEDCA)**

### **COMMITTEE NOTICES ...**

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

### **INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL**

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
  - (**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)
  - (**sb** = Senate Bill)                              (**sr** = Senate Resolution)                      (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Mike Barman (LRB) (August/2012)

## Senate

### Record of Committee Proceedings

#### **Committee on Job Creation, Economic Development and Consumer Affairs**

##### **Senate Bill 372**

Relating to: a grant for a biomedical technology alliance in southeastern Wisconsin.

By Senators Kanavas, Darling, Plale, Stepp, A. Lasee, Roessler and Harsdorf; cosponsored by Representatives Jensen, Honadel, Kerkman, Nischke, Zepnick, Townsend, Bies, Strachota, Davis, Owens, Berceau and Hahn.

October 10, 2005      Referred to Committee on Job Creation, Economic Development and Consumer Affairs.

October 20, 2005      **PUBLIC HEARING HELD**

Present:      (5)      Senators Kanavas, Zien, Reynolds, Lassa and Decker.

Absent:      (0)      None.

##### Appearances For

- Ted Kanavas, Brookfield — Senator
- Mr. David Gilbert, Milwaukee — UW-Milwaukee
- Mr. Biran Thompson, Milwaukee — Biomedical Technology Alliance
- Ms. Kathryn Kuhn, Milwaukee — Medical College of Wisconsin

##### Appearances Against

- Ms. Mary Klaver, Milwaukee — Wisconsin Right to Life

##### Appearances for Information Only

- None.

##### Registrations For

- Ms. Mary Czech-Mrochinski, Milwaukee — Marquette University
- Ms. Jennifer Gonda, Milwaukee — City of Milwaukee
- Mr. Landon Williams, Madison — Wisconsin Department of Commerce
- Ms. Amy Boyer, Madison — Wisconsin Economic Development Association
- Mr. Ron Kuehn, Madison — Wisconsin Biotech & Medical Device Association

##### Registrations Against

- Ms. Susan Armacost, Milwaukee — Wisconsin Right to Life

November 29, 2005 **EXECUTIVE SESSION HELD**

Present: (5) Senators Kanavas, Zien, Reynolds, Lassa and Decker.  
Absent: (0) None.

Moved by Senator Kanavas that **Senate Amendment 1** be recommended for adoption.

Ayes: (5) Senators Kanavas, Zien, Reynolds, Lassa and Decker.  
Noes: (0) None.

**ADOPTION OF SENATE AMENDMENT 1 RECOMMENDED, Ayes 5, Noes 0**

Moved by Senator Kanavas that **Senate Bill 372** be recommended for passage as amended.

Ayes: (3) Senators Kanavas, Zien and Lassa.  
Noes: (2) Senators Reynolds and Decker.

**PASSAGE AS AMENDED RECOMMENDED, Ayes 3, Noes 2**

Mike Richards  
Committee Clerk

### **Record of Committee Proceedings**

[REDACTED]

[REDACTED]

**SENATE BILL 372 (LRB -3450)**

An Act relating to: a grant for a biomedical technology alliance in southeastern Wisconsin.

**2005**

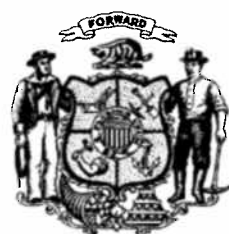
10-10.	S.	Introduced by Senators <b>Kanavas, Darling, Plale, Stepp, A. Lasee, Roessler</b> and <b>Harsdorf</b> ; cosponsored by Representatives <b>Jensen, Honadel, Kerkman, Nischke, Zepnick, Townsend, Bies, Strachota, Davis, Owens, Berceau</b> and <b>Hahn</b> .	
10-10.	S.	Read first time and referred to committee on Job Creation, Economic Development and Consumer Affairs .....	390
10-17.	S.	Fiscal estimate received.	
10-20.	S.	Public hearing held.	
10-21.	S.	Fiscal estimate received.	
11-01.	S.	Senate amendment 1 offered by Senator Kanavas ( <b>LRB a1282</b> ) .....	427
11-29.	S.	Executive action taken.	
11-29.	S.	Report adoption of Senate Amendment 1 recommended by committee on Job Creation, Economic Development and Consumer Affairs, Ayes 5, Noes 0 .....	466
11-29.	S.	Report passage as amended recommended by committee on Job Creation, Economic Development and Consumer Affairs, Ayes 3, Noes 2 .....	466
11-29.	S.	Available for scheduling.	
12-05.	S.	Referred to joint committee on Finance by committee on Senate Organization pursuant to Senate Rule 41 (1)(e), Ayes 5, Noes 0 .....	474

**2006**

02-10.	S.	Senate substitute amendment 1 offered by Senator Kanavas ( <b>LRB s0525</b> ) .....	592
05-11.	S.	Failed to pass pursuant to Senate Joint Resolution 1 .....	853



# WISCONSIN STATE LEGISLATURE





P. O. Box 7970  
Madison, Wisconsin 53707  
(608) 266-1018  
TDD #: (608) 264-8777

Jim Doyle, Governor  
Mary P. Burke, Secretary

October 18, 2005

Senate Committee  
Job Creation, Economic Development and Consumer Affairs  
State Capitol  
Madison, WI 53707

Dear Chairperson Kanavas and Committee members:

On behalf of Governor Doyle and Commerce Secretary Burke, I am pleased to support Senate Bill 372 which provides \$2 million of funding to the Biomedical Technology Alliance in southeastern Wisconsin. The Governor endorsed this bill in his Grow Wisconsin 2005 Agenda.

As you know, the Biomedical Technology Alliance is a partnership of the University of Wisconsin – Milwaukee, UW – Parkside, Marquette University, the Milwaukee School of Engineering and the Medical College of Wisconsin. It is designed to build the research capacity of these institutions by providing grants to encourage inter-institutional research across a diverse range of biomedical fields. Given the strong medical device, health care, and venture capital industry in the Milwaukee area, it is likely that much of this research will be commercialized and converted into jobs and high growth companies. We're pleased to support this initiative.

The Commerce Department would like to draw the committee's attention to the issue of matching funds. The bill requires the research institutions to provide a 100% match for the state's funds. It is unclear to Commerce whether the legislative intent is to require 100% cash match or whether indirect expenses are eligible to be counted toward the match requirement.

If the intent is to require a 100% cash match, the legislature could require that match be defined solely as monies that would support research grants. Commerce would then require that the institutions provide \$2 million to match the state's \$2 million investment. This would result in \$4 million being available in research grants. However, the institutions would also have to provide overhead and indirect expenses associated with the research over and above the \$2 million match. Alternatively, the legislature could recognize that a fixed percentage of indirect or overhead expenses be counted toward the matching requirement to support the program. For example, if Commerce allowed a 20% indirect rate, the state's \$2 million investment would be matched with \$1.2 million in cash and \$800,000 of indirect expenses that would be counted toward the matching requirement. This would result in a \$3.2 million pool of funds being available for making research grants.

The Commerce Department supports this important legislation and is interested in the committee's thoughts on the match requirement.

Sincerely,

Aaron D. Olver  
Executive Assistant



P. O. Box 7970  
Madison, Wisconsin 53707  
(608) 266-1018  
TDD #: (608) 264-8777

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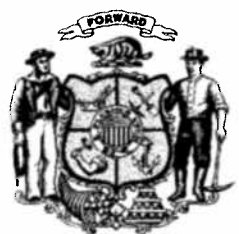
Sincerely,

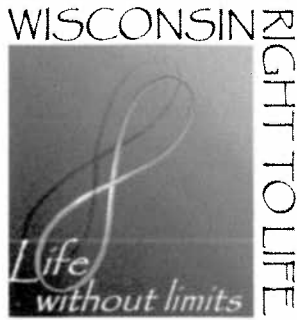
*Aaron D. Oliver*

Aaron D. Oliver  
Executive Assistant



# WISCONSIN STATE LEGISLATURE





State Affiliate of the  
National Right to Life Committee, Inc.,  
Washington, DC 20004-1193

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**TESTIMONY OF**  
**MARY KLAVER**  
**LEGISLATIVE LEGAL COUNSEL**  
**WISCONSIN RIGHT TO LIFE, INC.**

**ON**  
**SENATE BILL 372**

**October 20, 2005**

**before the**

**Senate Committee on Job Creation,**  
**Economic Development and Consumer Affairs**

Help make Life Without Limits a reality for future generations  
Please remember Wisconsin Right to Life in your will, living trust or life insurance

Senator Kanavas and members of the committee, my name is Mary Klaver. I am the Legislative Legal Counsel for Wisconsin Right to Life. I appear today in opposition to Senate Bill 372 in its present form.

Wisconsin Right to Life does not object to the Biomedical Technology Alliance. We object to the use of taxpayer dollars to fund unrestricted research which could include unethical research such as human cloning or the deliberate creation and destruction of human embryos for research purposes. Wisconsin taxpayers should not be put in the position of being forced to pay for unethical research.

Wisconsin Right to Life believes that our state should be promoting adult stem cell research that uses cells from virtually any part of a person's body. No one has to die to obtain adult stem cells. Adult stem cells have been successfully used to treat at least 65 human conditions. For the most up to date information, please go to [www.stemcellresearch.org](http://www.stemcellresearch.org).

This year the Wisconsin legislature passed a ban on all human cloning and rejected amendments that would have permitted the cloning of human embryos for research purposes. As you know, Governor Jim Doyle has vowed to veto this important legislation, so the ban on human cloning will not take effect as long as he is in office. It is extremely inconsistent for the legislature to take a stand to ban all human cloning and then to give unrestricted taxpayer dollars to the Biomedical Technology Alliance for research that could include human cloning or the deliberate creation and destruction of human embryos for research purposes.

If Senate Bill 372 is amended to protect taxpayers from funding research that could include human cloning or the deliberate creation and destruction of human

embryos for research purposes, then Wisconsin Right to Life would remove its opposition to this legislation. Ideally, the amendment would prohibit the use of public funds, the use of public property, or the use of public employees for the following activities:

*Amendment Language*

1. Research that destroys a human embryo.
2. Research that uses cells or tissue derived from the destruction of a human embryo who was destroyed after August 9, 2001. This is the date of President Bush's order to only allow federal funding for research on embryos who were destroyed prior to this date.
3. The creation of any human embryo for research purposes.
4. The cloning of human embryo for any purpose.

Proposed language to prohibit the public subsidy of human embryo research is attached at the end of my written testimony.

Earlier this year, the State Assembly adopted a similar amendment to Assembly Bill 206, a bill that would create an income and franchise tax credit for research conducted in this state. A copy of Assembly Amendment 1 to AB 206 is attached for your reference. That amendment was narrowly drafted to only apply to the tax credit. An amendment such as AA1 to AB 206 that is drafted to restrict the use of the entire \$2,500,000 research grant for the Biomedical Technology Alliance would be acceptable.

However, the broader amendment that would prohibit the use of public funds, the use of public property, or the use of public employees for unethical research such as human cloning or the deliberate creation and destruction of human embryos for research purposes would be the best solution. That language would set forth a clear

public policy for general application. Although this approach would not ban unethical research, it would at least protect Wisconsin taxpayers from subsidizing it.

Wisconsin Right to Life urges you to amend Senate Bill 372 to prohibit the research grant money from being used for unethical research such as human cloning or the deliberate creation and destruction of human embryos for research purposes.

**ASSEMBLY AMENDMENT 1,  
TO 2005 ASSEMBLY BILL 206**

*Andrey  
Lauk Bill*

April 12, 2005 – Offered by Representatives KESTELL, ALBERS, HINES, GUNDRUM,  
SUDER, PRIDEMORE, MOULTON AND LEMAHIEU.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 3, line 22: after “*Limitations.*” insert “1.”.

3 **2.** Page 3, line 23: after that line insert:

4 “2. No corporation may claim a credit under this subsection if the corporation  
5 is engaged in any of the following:

6 a. Research that destroys a human embryo or uses cells or tissue derived from  
7 the destruction of a human embryo that was destroyed after August 9, 2001.

8 b. The creation of any human embryos for research purposes.

9 c. The cloning of human embryos for any purpose.”.

10 **3.** Page 5, line 5: after “*Limitations.*” insert “1.”.

11 **4.** Page 5, line 6: after that line insert:

12 “2. No corporation may claim a credit under this subsection if the corporation  
13 is engaged in any of the following:

- 1       a. Research that destroys a human embryo or uses cells or tissue derived from  
2 the destruction of a human embryo that was destroyed after August 9, 2001.  
3       b. The creation of any human embryos for research purposes.  
4       c. The cloning of human embryos for any purpose.”.

5 (END)

## **PROPOSED AMENDMENT TO SB 372**

**20.926 Prohibitions on subsidy of human embryo research. (1)** In this section:

(a) "Authority" means an authority created in chs. 231 and 233.

(b) "Human embryo" means a human organism that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells. "Human embryo" includes a zygote but does not include a human organism at or beyond the stage of development at which the major body structures are present.

(c) "Local governmental unit" means a school district, city, village, town or county or an agency or subdivision of a school district, city, village, town or county.

(d) "Public employee" means a person employed by this state, by a state agency, by a local governmental unit or by an authority.

(e) "Public property" means a public facility, public institution or other building or part of a building that is owned, leased or controlled by the state, a state agency, a local governmental unit or an authority, or any equipment or other physical asset that is owned, leased or controlled by the state, a state agency, a local governmental unit or an authority.

(f) "Public funds" means funds of this state, of a state agency, of any local governmental unit, of an authority, or federal funds passing through the state treasury.

(g) "State agency" means an office, department, agency, institution of higher education, association, society or other body in state government created or authorized by the constitution or any law, including the legislature and the courts.

**(2)** No public funds may be expended for any of the following:

1. Research that destroys a human embryo or uses cells or tissue derived from the destruction of a human embryo that was destroyed after August 9, 2001.

2. The creation of a human embryo for research purposes.

3. The cloning of a human embryo for any purpose.

**(3)** No public property may be used for any of the following:

1. Research that destroys a human embryo or uses cells or tissue derived from the destruction of a human embryo that was destroyed after August 9, 2001.

2. The creation of a human embryo for research purposes.

3. The cloning of a human embryo for any purpose.

**(4)** No public employee may do any of the following while acting within the scope of his or her employment:

1. Research that destroys a human embryo or uses cells or tissue derived from the destruction of a human embryo that was destroyed after August 9, 2001.

2. The creation of a human embryo for research purposes.

3. The cloning of a human embryo for any purpose.

**(5)** A person who, or a governmental entity which, violates this section may be required to forfeit not less than \$1,000 nor more than \$10,000 for each violation.

**(6)** Any taxpayer of this state or of a local governmental unit shall have standing to bring an action for injunctive relief.

**(7)** Notwithstanding s. 814.04 (1), in an action under this section, the court shall award a prevailing plaintiff costs and reasonable attorney fees.

**(END)**